



United States Department of Agriculture

Research, Education, and Economics
Agricultural Research Service

DATE: November 13, 2012

SUBJECT: Guidance for Establishing Performance Plans for the Fiscal Year 2013 Performance Cycle

TO: Administrator's Council
Business Service Center Directors
Business Service Center HR Branch Chiefs
AFM Division Directors

FROM: Casandra Butler
Deputy Director, HCPDS

The purpose of this memorandum is to inform the workforce about the recently updated Performance Plan, Progress Review and Appraisal Worksheet (AD-435A) and new Performance Plan, Progress Review and Appraisal Worksheet for Supervisory Positions (AD-453D), as well as to define the parameters for establishing Performance Plans for Fiscal Year (FY) 2013 performance cycle, October 1, 2012 – September 30, 2013. This specific guidance applies to all non-Senior Executive Service/Senior Level (SL)/Scientific or Professional (ST) employees.

First, there will be no changes in processes or forms for the FY 2013 performance cycle. The Department of Agriculture (USDA), Office of Human Resources Management (OHRM) updated the AD-435A form and established a new AD-435D form for managers and employees. The new format was developed to help employees and managers understand how individual employees' responsibilities align with the Agency and/or Staff Office and Department Strategic Goals and Initiatives. The updated AD-435A and new AD-435D forms will be delayed for implementation in FY 2014 because there are concerns regarding the forms that are being reconciled with the OHRM. The Human Resources Division's (HRD) collaboration with OHRM will help ensure a more comprehensive implementation process is in place for our customers in FY 2014.

Successful supervision and leadership of the ARS workforce is critical to meeting the goals and objectives of our organization. The initial step towards achieving the Agency's goals is the effective establishment of performance plans. Attachment B is a "Checklist for Preparing Performance Plans" that identifies requirements that supervisors and managers must use in the process.



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Performance plans should be established as early in the rating cycle as possible to ensure that employees are clear about expectations. Plans should normally be established and provided to employees within (30) days of the performance cycle. However, due to the late issuance of this guidance caused by the recent decision to delay the implementation of the new AD-435A and AD-435D forms until FY 2014, we recognize Performance plans will be established beyond the 30 days of the performance cycle. Strive to establish plans NLT December 14, 2012.

Performance plans must clearly demonstrate proper:

- **Alignment.** Employee performance plans align with, and are designed to support organizational goals.
- **Results-focus.** Employee performance plans hold employees accountable for achieving results appropriate to their level of responsibility.
- **Credible Measures.** Employee's performance plans provide for balance, so that in addition to measuring expected results, the performance plans include appropriate measures, such as quality, quantity, timeliness, and/or cost-effectiveness, indicators of competencies, and customer perspective. Finally, managers and supervisors performance plans should incorporate employee perspective measures.

Performance plans should be established using the official performance plan, progress review, and appraisal worksheets (Forms AD-435 A/B revised). This form is available in "e-Forms".

Input from rating officials and employees foster the development of meaningful performance plans. Rating officials are expected to involve employees in the development of plans in so far as practical. However, the final authority for establishing performance plans resides with the rating official. Rating Officials can use different methods to gain employees' input such as jointly developing the plan; permitting the employee to prepare a draft performance plan; request employee's comments on draft performance plan prepared by the rating official; or if employees who occupy similar positions prepare draft performance plan(s), with supervisor's approval. This early employee engagement is an essential element of effective performance management.

Performance plans are considered established when the Rating and Reviewing Officials have signed and dated the plan; the expectations have been communicated to the employee; the employee has signed and dated the plan or declined; and a copy has been provided to the employee. The original plan should be retained by the supervisor. Note: Rating and Reviewing Officials should sign and date the AD-435A prior to obtaining the employee's signature.

As a reminder, the Rating and Reviewing Officials may not be the same person; the Reviewing Official should be at a higher level, normally the Rating Official's supervisor. Additionally, obtaining the employee's signature on the plan does not mean the employee necessarily agrees with the expectations or goals in the plan, only that performance expectations have been communicated to him/her. If an employee chooses not to sign the plan, a note should be written in the employee signature box stating, "Discussion of the Performance plan was held on (date) and the employee declined to sign the plan."

Supervisors and managers are also reminded that employees should have an established Individual Development Plan (IDP), Form ARS-48. The creation of IDPs is a partnering effort that can be an opportunity to determine immediate and long-term goals and accomplishments.

The establishment of the IDP provides the parties an opportunity to set objectives and plan learning experiences that will support the individual's development. For more information on IDPs, visit the following website: <http://www.afm.ars.usda.gov/hrd/empdev/idp.htm>

Employee Listings (spreadsheet in excel format), which identify the employees of supervisors and managers will be provided to Business Service Centers HR Branches no later than one month from the date of this memorandum. The Listings should be forwarded to supervisors and managers to certify that performance plans were established for employees. The supervisor or manager should type in the date that the performance plan was issued. The date will serve as the certification that the performance plan has been established. The date on the Listing should match that of the date on the AD-435A. Additionally, if no plan was established, the supervisor will document in the column the reason it was not completed. If an employee is not reflected on the Listing, the supervisor should add the name of the employee and the date the plan was established. Finally, the supervisor should complete the column titled "IDP completed", by documenting, yes or no. Completed listings are due to HRD no later than **December 31, 2012**. Listings should be e-mailed to Performance@ars.usda.gov.

All USDA agencies are required to report agency compliance for establishment of performance plans and IDPs to the OHRM and to provide a full explanation for non-compliance. In addition, monthly reports regarding the compliance of supervisors and managers will be provided to agency leadership.

Should you have any questions regarding the guidance in this memorandum, please contact Chevon Gibson, Chevon.Gibson@ars.usda.gov, (301) 504-1552 or me at Cassandra.Butler@ars.usda.gov, of the HRD.

Attachment B

CHECKLIST FOR PREPARING PERFORMANCE PLAN

The following are requirements for establishing a Performance Plan.

- †1. Check the employee's position description for accuracy. The major duties in the position description should be included in the Performance Plan as critical elements. Accomplishment of organizational objectives and goals can be included in Performance Plans.
- †2. Employee participation in developing the plan is desirable. However, the Rating and Reviewing Officials have the final authority for establishing the Performance Plan.
- †3. All plans must be documented, in writing, on Form AD435A/B Revised, Performance Plan, Progress Review and Appraisal Worksheet.
- †4. The plan must align with Agency and/or organizational goals. At least one performance element must link to the strategic goals and objectives of the organization.
- †5. Include results-focused performance measures for each performance element. Elements and standards should be accurate, objective, measurable, attainable, and understandable.
- †6. Performance Plans should contain a minimum of three but not more than seven critical performance elements. Each Performance Plan must contain at least one non-critical element.
- †7. Performance Plans for non-supervisory employees must include in at least one of the critical elements the responsibility for demonstrating a commitment to EEO/CR. Note: ARS has standardized EEO/CR language for non-supervisors.
- †8. Performance Plans must contain a critical performance element for safety and health, when warranted by the employee's position.
- †9. Performance Plans may contain generic elements and standards for similar occupations.
10. Performance Plans must contain customer service standards in a critical element and/or already exists as a standalone critical performance element.
11. An employee officially designated as a supervisor must have a separate critical performance element for Supervision and/or Leadership/Management, which includes a performance standard that addresses accountability for performance management requirements (established performance plans, progress reviews, annual appraisal, recruitment and hiring, retention and succession planning, cultural transformation and other related duties).

- †12. An employee officially designated as a supervisor must contain employee and customer/stakeholder perspectives in their Performance Plans.
- †13. An employee officially designated as a supervisor must have a separate critical performance element that addresses Equal Employment Opportunity/Civil Rights.
Note: ARS has standardized EEO/CR language for supervisory positions.
- †14. The Performance Plan must be signed by the supervisor, reviewing official (normally the second-level supervisor) and employee. The employee should then receive a copy of the approved plan.